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FLOOR DEBATE

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principal expenses, and as I, again, said, the compensation issue, which is 50-50. Present at the hearing was Larry Ruth, who is one of our state representatives on the Conference of Commissioners on Uniform State Laws, he's one of our state law commissioners; Professor John Gradwohl, who was representing himself. In a neutral capacity was Bob Hallstrom, from the Nebraska Bankers Association. They were concerned that LB 56 might expand the fiduciary liability. And when it became clear that there was no intent to expand or alter the standard rules for fiduciary responsibility or liability, that Mr. Hallstrom was satisfied. However, we needed to say that clearly and specifically for his benefit and for the bankers' benefit. So we'll find an amendment here shortly that makes that abundantly clear. To summarize, the Uniform Income and Principal Act defines for the trustee, if the trust instrument itself does not, what constitutes income, what constitutes principal, what constitutes expenses associated with income, what constitutes expenses associated with the principal, the allocation of trust administration fees. And that's essentially what the bill does. It's a laundry list of things which are allocated to principal and things which are allocated to income. I would close with that statement, and move on to the amendment when the Chair deems it appropriate.

SPEAKER KRISTENSEN: Mr. Clerk.

CLERK: Senator Landis would move to amend, Mr. President. (AM0483, Legislative Journal page 673.)

SPEAKER KRISTENSEN: Senator Landis, you're recognized to open on your amendment.

SENATOR LANDIS: Thank you. Mr. Speaker, members of the Legislature, what is important for the banking community, since they in fact do a great deal of the trust work, is to understand that the basic responsibility of being a fiduciary has not either been lowered or heightened by LB 56, that what we've done is we've simply allowed trustees to have access to these responsibilities and these...the principles in LB 56, to make their job hopefully easier. Now, there is something in LB 56 which has to do with the reallocation of the money inside the